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SUBJECT: CODEL DODD MEETS ARGENTINE FM TAIANA

¶1. (SBU) Summary: Senator Chris Dodd and Representative Xavier Becerra and the Ambassador called on Argentine FM Taiana May 29. On Bolivia, Taiana expressed his worry about the potential for violent conflict despite what he saw as Evo Morales's moderating influence on his radical MAS support bases. He similarly expressed concern about the Bolivian government's criticism of the U.S. On the U.S., Taiana said the region was hoping to engage on a broader agenda than trade and security and noted hopes for renewed U.S. attention to the region. Taiana said Argentina would continue to play a moderating role in the region, and he hoped the newly-formed South American Union would foster infrastructure development. The Ambassador raised with Taiana the U.S. candidate for the IOM, the June 19-20 visit of G/TIP Ambassador Mark Lagon, and the June 3-5 FAO conference in Rome. End Summary.

Bolivia

¶2. (SBU) Senator Dodd told FM Taiana he had just arrived from Bolivia, where he had met with VP Alvaro Garcia Linares and opposition leader Jorge Quiroga, and asked Taiana for his views on Bolivia. Taiana, who has paid several recent visits to Bolivia, noted he had been working with Brazilian and Colombian counterparts to ease tensions in Bolivia. He said the GOA remained concerned about the polarization of forces in Bolivia and its "ugly horizon," with prospects of violent clashes over political and constitutional changes. He noted Bolivian anxiety over a range of scenarios, including a state of siege, troop deployments and social mobilization. Taiana said there were other worrying developments, such as the tendency of congressional deputies to meet in regional blocs rather than party blocs, suggesting that regional affiliation was trumping ideology.

¶3. (SBU) Taiana expressed support for the historic shift of power underway in Bolivia, noting that for the first time in five centuries, the indigenous sector was in power. In such a situation, he considered it natural and logical that the government would seek to change the constitution to mark the end of a long period of exploitation and the beginning of a period of political renewal. He said Evo's Movement Toward Socialism (MAS) did not have enough experienced members to staff the government, legislature and the constituent assembly with adequately skilled people, and that MAS's shallow pool of human resources quickly became apparent in the quality of delegates to the constituent assembly, which appeared to have been the lowest staffing priority for Evo. The government had also been plagued by indecision and shifts in direction. The initiative had shifted to those putting forward autonomy.

¶4. (SBU) Nevertheless, Taiana argued that recently Evo Morales has acted as a moderating force trying to ride herd over radical bases of support. For example, he said Evo had reduced the potential for a violent confrontation over the May 4 referendum by ordering his supporters not to go to Santa Cruz. Taiana said he thought Evo was, by nature and because of his labor organizing experience, always looking to negotiate. But Evo also needed to reconcile his radical supporters' desire for a dramatic end to exploitation with the imperative, dictated by global circumstances, of pursuing pragmatic, progressive policies.

15. (SBU) Taiana said he thought, nonetheless, that the GOB needed to show greater flexibility in dealing with the opposition and negotiating constitutional changes. He discerned major differences between the autonomy statutes of Tarija and Santa Cruz -- the former was not a problem, whereas parts of the latter had been rejected by the Bolivian Armed Forces (in what he considered a veiled threat) because it would infringe upon national jurisdiction over road, railroad, air space, and radio waves. Taiana said he thought fixes to the law should be doable. The worst scenario, Taiana said, is one in which Morales falls by non-democratic means.

16. (SBU) Taiana expressed serious concern about the GOB's heated criticism of USAID and public rejection of U.S. "conspiracies" against it. The government seems stuck on this perception. He praised WHA A/S Shannon's positive statements about Bolivia and claimed he had pointed these out to FM Choquehuanca.

U.S. Image and Bilateral Relations

17. (SBU) Senator Dodd noted the U.S. was 20 weeks away from elections, and that the prospect of a new administration taking office on January 20 offered a new window of opportunity for reinvigorating relations with the region. In response to Senator Dodd's queries regarding Argentine perceptions of the United States and the MFA's views on how the U.S. and Argentina could improve bilateral relations, Taiana noted that throughout the region, many of the political and economic reforms initiated in the 1980s had led to widespread disenchantment with the limited results that democratic, free-market systems could offer for addressing the region's enormous social needs. He said this had led to the rise of "new political projects," particularly in Venezuela, where the two-party system collapsed, but also in Ecuador, Brazil, Bolivia, Uruguay, and Paraguay, where 60 years of Colorado Party was just now coming to an end. Taiana said these countries were re-thinking the direction of economic policies and looking for a "new balance between public and private endeavors." He claimed there were no radical changes in Argentina, Brazil, Uruguay, even Ecuador and Bolivia, and that it was clear the private sector should have the lead role in generating wealth.

18. (SBU) Taiana said there is a tradition of "autonomy" from the U.S. in Argentina. He said he thought the U.S. image in Argentina had been tarnished by its perceived support for former president Carlos Menem, now discredited and held in contempt by a majority of Argentines. Taiana cited two other factors adversely affecting U.S. image: U.S. actions in Iraq and perceived lack of U.S. support for Argentina on the Malvinas/Falklands question. The key to correcting this is more regular exchanges, official and non-official. These need to be between all branches of government and many parts of civil society.

19. (SBU) Regardless of who wins the U.S. election, Taiana said there would be an opportunity for the USG to take a more proactive role in Latin America, where he thought there were high hopes for a major initiative along the lines of the Alliance for Progress. He said the region was hoping for an agenda that was broader than just trade and security. Senator Dodd thanked Taiana for his comments, noting that unfortunately Hugo Chavez and Evo Morales get the lion's share of media attention but that other Latin American voices needed to be heard. He urged the GOA to be a voice for reason and moderation in the region, and he hoped that Latin America would be receptive to undertaking a new relationship with the United States.

110. (SBU) Rep. Becerra encouraged the GOA to speak out as its voice could make a difference for good in the region and in U.S.-Latin American relations. He praised the cooperation the U.S. was getting from Latin American partners in countering terrorism. He noted that other Latin American countries looked to Argentina for leadership, and he said it was important for the USG and GOA to treat each other as friends and affirm that friendship.

Argentina's Moderating Influence

111. (SBU) Taiana said the GOA saw its role in the region as a moderating one. He noted the GOA did not dwell publicly on its differences with the USG over Iraq or other issues, and he cited the

GOA's contributions to reducing tensions between Ecuador, Colombia and Venezuela after the March 1 killing of FARC leader Raul Reyes. Taiana said he thought there was an inevitable breach between the USG, which considered the GOC's March 1 actions legitimate self-defense, and Latin America, which viewed "preemptive strikes" as unacceptable. He said Latin America was intent on preserving the "tools of non-aggression" that it had developed, such as its jurisprudence and traditional insistence on the sanctity and primacy of territorial sovereignty. Taiana said the GOA was also trying to play a helpful role in Bolivia, where it was hoping to stave off a descent into chaos.

¶12. (SBU) Taiana said he was worried that Colombia's internal conflict had "regionalized," adversely affecting neighbors who did not want to be drawn into that conflict. He was deeply concerned about the poisonous relationship between Uribe and Correa. In response to a question from Senator Dodd, Taiana said it was difficult to predict the implications of the death of FARC commander Marulanda because the FARC was such an opaque organization. He thought Uribe had been successful in chasing and cornering the FARC but argued that Uribe's progress did not prove there was a military solution to the problem. He noted the FARC had maintained a strong presence in some regions close to Colombia's center, and that Uribe's demand for surrender was not the way to advance a peace process. This was why the GOA was publicly pressing for humanitarian measures, such as the release of hostage Ingrid Betancourt.

South American Integration

¶13. (SBU) Senator Dodd noted President Cristina Fernandez de Kirchner's (CFK) recent participation in the May 16-17 EU-LAC Summit in Lima and the May 23 South American Summit in Brasilia. Taiana said the South American Union (UNASUR) should be viewed as the logical counterpart to other sub-regional groupings such as the Central American and Caribbean leaders enjoyed. He said the South Americans met by themselves for the first time ever in 2000 when Brazil's then president Fernando Henrique Cardoso convoked the first summit. Taiana thought UNASUR could be particularly helpful in coordinating South American infrastructure development, such as roads and bridges and energy grids that cross national boundaries. He said the GOA would take care to ensure that the development of sub-regional groupings did not leave Mexico out in the cold. He said CFK had recently visited Mexico twice, and Argentina was expecting a visit from President Calderon this year.

Demarches

¶14. (SBU) The Ambassador used the opportunity to urge GOA support for the candidacy of Ambassador William Swing to be elected Director General of the International Organization for Migration (ref A). The Ambassador informed Taiana that the USG was planning to release on June 4 its annual Report on Trafficking in Persons (TIP), and that G/TIP Ambassador Mark Lagon would visit June 19-20. He also described some TIP assistance DHS/ICE was providing to Argentine judges, prosecutors, and police. Finally, the Ambassador also raised the June 3-5 FAO High-Level Conference in Rome on World Food Security (ref B).

¶15. (U) This cable was cleared by codel after departure.

WAYNE